(ii) The Company has recently embarked upon the policy of flexible fares on its domestic network w.e.f. 25th May, 2001. The flexi-fares are expected to improve revenue earnings of the Company by way of higher capacity utilisation and better yeilds.

(iii) Indian Airlines has taken various other steps to further improve its financial and operating perofrmance which, *inter-alia* include the following:—

*Strict Budgetary Control with all the major items of expenditure are subject to cost benefit analysis, operational and commercial expediency, financial sanctions etc.

*Better Fleet Utilisation; Improvement in the productivity of Pilots, Aircraft Engineers, Minimizing the ground turn round time, Night flight on certain domestic sectors, Increased International operations, Better scheduling of aircraft and route planning, Capacity deployment alignment with market requirements etc.

*Improvement in the quality of product; Improvement in On-time performance, general improvement and upgradation of services to the users etc.

*Marketing initiatives; code sharing with the foreign airlines, High level of participation in Computerised Reservation System, Various promotional schemes including corporate incentives etc.

*Cost control measures, Control of overtime, casual labour, hotel/ travel expenditure, crew lay over expenditure, freeze on recruitment unless absolutely necessary for operational reasons, Fuel monitoring and tankering, control on aircraft maintenance, Reduction in publicity and sales promotional expenditure, Review of uneconomic flights, Inventory management, Outsourcing of services to the extent feasible etc.

Financial accruals to AI through un-utilised bilateral sources

936. SHRI VIJAY J. DARDA: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether it is a fact that Air India earned substantial amount during 2000-2001 through the un-utilised bilateral sources;

(b) if so, the total amount generated country-wise as a result thereof;

(c) how far this has helped in improving its financial position and wiping out the losses; and

(d) what were the financial accruals to Air India through such means during the Years 1998-99 and 1999-2000?

THE MINISTER OF CIVIL AVIATION (SHRI SHARAD YADAV): (a) and (b) During 2000-2001, the total revenue of Air India from diferent types of commercial arrangements was Rs. 240.41 crores. Out of this Rs. 29.81 crores were earned from six airlines, who are utilising the unused entitlement of Air India.

(c) The losses of Air India have been reduced by the above mentioned amount.

(d) The total revenue of Air India from different types of commercial arrangements during 1998-1999 and 1999-2000 was Rs. 162.47 crores and Rs. 219.12 crores respectively.

Guwahati and Dibrugarh Airports

937. SHRI DRUPAD BORGOHAIN: Will the Minister of CIVIL AVIATION be pleased to state:

(a) by when the renovation of Guwahati Airport with hub will be completed;

(b) what is the timeframe for starting international flights from Guwahati Airport; and

(c) whether Government propose to raise Dibrugarh Airport to international level as it is the next important airport of the North East?

THE MINISTER OF CIVIL AVIATION (SHRI SHARAD YADAV): (a) Guwahati Airport is suitable for operation of medium capacity long range aircraft. During the last two years, expansion of apron to accomodate one AP-300, one AB-320 and four B-737 aircraft and expansion/modification of the terminal building to handle 750 arriving and 750 departing passengers have been completed simultaneously at Guwahati Airport.

(b) Guwahati airport has already been declared as International